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## TYPES OF AMERICAN LABOR ORGANIZATION.— THE TEAMSTERS OF CHICAGO.<sup>1</sup>

ONLY since the year 1902 have the teamsters of Chicago discovered their power. They have always been classed as unskilled labor, and the old-line trade-unionist ridiculed and discouraged the organizers who ventured to create a teamsters' union. The skilled unions saw the strategic position of the teamster, and the brewery workers made some of the brewery drivers a part of their "industrial" union. But the driver felt that they wanted him, not to help him, but to help themselves. Only when he broke away and organized his own teamsters' union did he get enthusiasm for union principles.

Again, the teamster had never been clearly distinguished from the team-owner. The oldest so-called union was that of the hack-drivers, organized in 1867. But that was a union of hack-owners as much as hack-drivers, since the majority owned the rigs they drove. Consequently, their interest lay more in holding up the fares charged to the public than the wages earned by the driver. Their organization was never influential and often comatose. Not until 1902 did they take in the livery drivers employed by the great companies, and thereby become a labor union as well as a guild. Their history since then is similar to that of other teamsters and drivers.

<sup>1</sup>Political and industrial conditions in the United States have given rise to types of labor organization unique in many respects. In a former article (*Quarterly Journal of Economics*, November, 1904) was described an organization influenced by division of labor and by immigration, in an industry controlled by a so-called "trust" (slaughtering and meat packing). In the present article is described an organization, or set of organizations, not directly affected by immigration, but composed of unskilled labor holding a highly strategic position in industry, under employers, for the most part, severely competing with each other. It is intended in later articles to describe other types.—J. R. C.

The laws of the former International Team Drivers' Union, chartered by the American Federation of Labor in 1899, admitted to membership a team-owner if he operated not more than five teams. This threw the unions, the conventions, and the laws into the hands of the owners; and prices were more prominent than wages. Such a union was inherently weak. While the larger team-owners were formally excluded, yet their teamsters were not attracted to a union whose views respecting wages were those of small team-owners. The first object necessary to form an effective union was community of interest, and this required separation from employers. The Chicago teamsters, in defiance of their international organization, refused to admit owners; and, finally, in 1902 they seceded, and formed a new national union, including only teamsters and helpers. They admitted the driver who owned the team he operated, but excluded him if he owned a team driven by some one else.

Even this differentiation was not enough. Teamsters are employed in every industry. No craft is so necessary and universal. But teaming in one industry is distinct from teaming in another. The laundry driver has little in common with the coal teamster, except horses and streets. His problems of unionism, such as methods of payment, hours, and discipline, are different. In 1894 coal teamsters, truck-drivers, and others were in a general union, just as they are to-day in smaller towns. But that union quickly disappeared. In 1886 something similar had occurred under the Knights of Labor. But in 1902 each industry was organized separately in its own "local." Though each is called a local union, it is more than local in the geographical sense. Each local is a distinct craft, with jurisdiction over the entire city for all workmen of its craft, and the principle recognized for all is the same as that explicitly stated by the Ice Wagon Drivers: "Our

Local Union has the powers of self-government, known as Local Autonomy, and, if deemed advisable, to make such by-laws that will be beneficent to the local organization, such as admitting persons who own and operate one team, regulating initiation fees or dues, honorable withdrawal cards, trials, fines, suspensions and expulsions in conformity with the general laws." There are, of course, many cases where locals overlap; and, in order to avoid conflict of jurisdiction, each stable is assigned to the local to which 51 per cent. or more of its work belongs.

Thus the teamsters of Chicago were the first to establish two principles new to the occupation,—craft autonomy and wage unionism. Starting with these principles, within two years there were organized 47 locals, from the Truck Drivers with over 5,000 members to the Dye House Drivers with 46. Afterwards this differentiation was found too fine, and some of the smaller locals were merged into others. Nearly all were organized during the first year. They created a joint executive council of seven delegates from each local with power over strikes; and in 1903 they amalgamated with the International Team Drivers, which meanwhile had changed its constitution to exclude employers. The organization now is known as the International Brotherhood of Teamsters, with 821 locals in some 300 cities.

Such sudden and precipitate organization was accomplished and recognized with scarcely a half-dozen strikes. This was owing partly to the secrecy maintained, but mainly to an early demonstration of power and a sympathetic interest on the part of one class of team-owners. This second factor is explained by the peculiar nature of the business.

The two classes of team-owners are those who follow teaming for a living and those whose teaming is an adjunct to their general business. The latter include the

department stores, the meat-packers, grocers and meat markets, the brewers, the largest manufacturers, the milk-dealers, lumber-dealers, railway express companies, ice companies, some of the wholesale merchants, and others. The former include truck-owners, expressmen and van-owners, liverymen, the commission team-owners, and, to a lesser degree, coal team-owners, ice wagon owners, and similar teaming contractors. The significance of this distinction lies in the fact that many of the manufacturers and most of the wholesale merchants and commission houses do their teaming through contractors. With the manufacturers and wholesale merchants the teamsters' wages are but a small part of their total expenses. With the retail merchants the proportion is larger, the largest being that of the milk-dealers,—15 per cent. or less. But, with the contracting team-owners, the wages of teamsters and helpers are 50 per cent. to 75 per cent. of their total expenses. Consequently, while competition of manufacturers and merchants is but slightly affected by the teamsters' wages, competition of team-owners is mainly a question of the wages and hours of their competitors. The manufacturer and wholesale merchant are interested in keeping wages low, but the team-owner is interested in keeping them equal. The team-owner has, therefore, welcomed and encouraged the organization of the teamsters, notwithstanding an extraordinary increase in the rates of wages, because the union equalized competition. In taking this attitude, his position has not been the same as that of the merchant or manufacturer, whose cost of trucking was increased, whether done directly or by contract. One consequence is that the team-owners—by which will be meant those with whom teaming is their business and not an adjunct—have organized associations, not only as employers to negotiate with the unions, but also as

contractors to regulate rates of cartage and livery. The principal associations of this kind are the Chicago Team Owners, dealing with the truck-drivers; the Furniture Movers and Expressmen's Association, dealing with the Van Teamsters and Helpers and the Baggage and Parcel Delivery Drivers and Helpers; the Commission Team Owners, dealing with the Commission Drivers; and four liverymen's associations, dealing with the Hack, Coupé, and Livery Drivers. These associations, by joint agreements, determine the rates of wages and the hours and conditions of labor; and the scales thus determined are the union scales paid also by merchants and manufacturers not members of the association to their teamsters employed directly. Many of the other teamsters' unions have joint agreements with employers' associations; but such associations, being composed of merchants or manufacturers, are loose and informal, while the associations just mentioned are compact and permanent, some of them with bonds and forfeits, binding them not only to the scale of wages, but also to the scale of prices.

The Coal Team Owners and their drivers deserve special mention by reason of their early leadership and their peculiar methods. The drivers were organized in the fall of 1900, and secured individual agreements during 1901. They made further demands in the winter of 1901-2, which, added to those already secured, doubled the cost of teaming. For a two-horse wagon they formerly received 50 cents a load of 4 or 5 tons, and for a three-horse wagon 65 cents a load of 6 or 7 tons, regardless of distance. At these rates the labor cost of cartage was about 10 cents a ton, and the teamster earned \$8 to \$12 a week of indefinite hours. The scale finally agreed upon substitutes a weekly rate and overtime for the former piece rates. The two-horse driver receives \$15, and the three-horse driver \$18, for a week of 66 hours,

and 35 cents and 40 cents an hour overtime, respectively. At these rates the labor cost was raised to about 20 cents a ton.

In order to pay these higher wages, the coal-dealers contended that they must get higher prices for cartage. The anti-trust law of Illinois, as amended in 1897, made an exception in favor of any article "the cost of which is mainly made up of wages."<sup>1</sup> To avail themselves of this exception, the coal-dealers separated their *cartage* from their *coal*, and organized, not a dealers' association, but a Coal Team Owners' Association, since the cost of cartage, but not the cost of coal, is "mainly made up of wages," and since a team-owner does not have title in the property he delivers, and is therefore not responsible for its price to the public. There is also a considerable amount of coal hauled by contract, and contracting team-owners who are not dealers are also members of the association. The rates charged for cartage had formerly been 22 to 27 cents a ton. The association adopted and issued a schedule setting the rates at 50 cents a ton for manufacturing and steam use and 60 cents a ton for domestic use, within two and one-half miles from the point of loading; for each additional mile or fraction thereof, 10 cents a ton. Thus the rates for cartage were doubled when the teamsters' wages were doubled. But, since they started on different bases, it is also true that the absolute increase in cartage was twice as great as the increase in wages,—namely, 20 to 25 cents a ton when wages were increased 10 cents a ton. There are, of course, other expenses besides wages (mainly feed and care of horses); and these are offered as a justification for the disproportionate advance, though the occasion thereof was the advance in wages. At the same time, since the dealers mainly own their

<sup>1</sup> This exception was afterwards declared unconstitutional, as being an unlawful discrimination. See *People v. Butler Street Foundry Co.*, 201 Ill. 236.

teams, and their prices for coal include delivery, their ability to maintain the rate of cartage really depends on their ability to maintain the price of coal. This they have not been able to do on bituminous coal on account of the many sources of supply, while they have thoroughly succeeded on anthracite coal on account of the centralized control of supply.

However this may be, the coal-dealers at first relied upon the teamsters to control the market, and even create one. They made a provisional agreement in January, 1902, to take effect the following May for five years, if the teamsters meanwhile could demonstrate their power. The agreement provided that none but members of the union should be employed, and that the teamsters should work for none but members of the association. With this understanding, the agent of the teamsters, in return for increased wages, stopped the delivery of coal to the great firm of Marshall Field & Co. for a few hours in winter until that firm signed a two-year contract with the union to use coal instead of natural gas during the summer. This spectacular demonstration had two results. The managers of other stores and office buildings, who also had made the mistake of building sky-scrapers without coal bunkers, signed a similar contract, when requested; and nearly all of the teamsters in Chicago joined the union. The astute agent of the coal team-owners, John C. Driscoll by name, who had engineered this *coup*, proceeded on his part to organize the team-owners in other branches, and eventually became secretary of five such associations. In each case, agreements similar to the original one were made with the new teamsters' locals. These and other locals were organized without general strikes, except those of the packing house and department store teamsters in June. Yet, while they had but few strikes on their own account, the teamsters, in the first flush of enthusi-



asm, stopped work in sympathy with strikers on the inside; and this, in the case of the freight handlers in July, was the most destructive since 1894. That disaster sobered the teamster, but it showed him his power.

Springing from these sympathetic strikes came the most remarkable board of arbitration known to industrial disputes. Seven of the largest employers of teamsters and seven agents of the teamsters' unions constituted themselves for one year the industrial umpires of Chicago. Practically, all of the strikes of new unions during that period came before this board. The older unions, such as the building trades, disdained this upstart jurisprudence, and refused to submit their disputes. But it happened that most of the strikes of that period were those of new unions. The board's powers were quasi-compulsory, since the employer who would not submit to arbitration could not get teamsters, and the strikers who would not submit could not get the help of the teamsters. Many of the strikes were handled by Driscoll, the agent of the teaming employers, without bringing them before the Board of Arbitration, and, had it not been for his unscrupulous use of money in bribing the leaders of the unions, the board might have continued. But his corruption was finally exposed, the teamsters withdrew their representatives, and eventually deposed the officers who had been on friendly terms with him. The Board of Arbitration was dissolved. Employers, also, who were willing that Driscoll should use their money to "buy off" the leaders of troublesome strikes, became distrustful when they learned that he secretly fomented strikes to be bought off. He lost his position in all but the Coal Team Owners' Association, and the others substituted men of a different type. Since this reform movement of 1903 the teaming industry can be studied as an economic rather than a criminal phenomenon.

*Hours and Wages.*

The change most impressive brought about by the unions is that from indefinite hours and wages to definite wages and pay for overtime. The teamsters' occupation is peculiar, in that it has carried over and retained in industry the practices of agriculture. The teamster has always been expected to "care for his stock" as well as drive his wagon. Even where a teaming contractor's business had grown so large as to require the services of stablemen, the teamster was expected to be at the stable before working time and to remain at the stable after working time long enough to feed and curry his horses, clean their stalls, grease and repair his wagon, hitch up and unhitch, and keep his harness clean and the brass polished. This required also several hours on Sunday. For such work he was not supposed to be paid,—it was the necessary preparation for work, and not the real productive effort that brought him wages. This continues to hold good under the union agreements; and, while the teamster says that he now has a ten-hour working day, it is nearly always from 6 A.M. to 6 or 6.30 P.M., with one hour for dinner. Consequently, the actual working time for which his stipulated day's wages is paid is 11 or 11½ hours. This enables the truck-driver to back his wagon up to the platform for his first load at 7 o'clock, the time when the inside workers begin, and to get his last load in time to return to the stable and leave for home at about 6 P.M. Formerly he might not get his last load till the inside workers quit, and this might keep him at the barn till 8 or 9 o'clock and even later. In some lines of teaming, not depending on factories and warehouses, such as furniture moving, groceries, markets, commission driving, he was called out much earlier in the morning or kept later at night, according to the amount of work the team-

owner could find for him to do. The van teamster who took out a sleighing party was not paid for it, because that was night work. Often he and others reported at the stable at 3, 4, or 5 o'clock in the morning, and left the stable at 8, 9, or 10 at night. On this account it is impossible to know the number of hours most of the teamsters formerly worked. Not being paid for overtime, their former earnings give no indication of the hours employed. In general, they ranged from 70 to 100 hours a week, according to seasons and kinds of teaming.

These hours have been reduced in two ways. First, by cutting out Sunday work or stipulating that it shall be paid at one and one-half or double rates; and, second, by stipulating a rate per hour for overtime before 6 A.M. and after 6 P.M. Under these conditions the larger team-owners employ stablemen to do much of the work formerly done by the teamsters; and, in order to avoid the higher rates for overtime, they try to arrange their work to bring it within the regular time. The wholesale merchant, who kept his truck-driver hauling to the railways during the day, and then gave him a city load late in the afternoon, now concentrates his schedule of trips. Nevertheless, in some lines the teamster continues to make a large amount of overtime. It is not unusual for the coal teamster, at \$18 a week and 40 cents overtime, to earn \$20 or \$24 a week. In other branches, overtime varies greatly according to the business. Consequently, in this industry the policy of reducing the hours of labor is necessarily often a policy of merely getting pay for overtime, and so greatly increasing the earnings. The driver must finish his trip and return his team to the stable; and, while overtime cannot always be abolished, it can be paid for.

Again, there are some lines in which very little change in the hours, except Sunday relief, has occurred. The

railway express drivers never had the care of their horses, and their reduction in hours has been but 3 or 4 a week. The laundry and bakery drivers have about the same hours as formerly. The routes of the keg-beer drivers had always been equalized, so that they could finish their work in the morning; but they were kept around the barn indefinitely for extra jobs and errands. These have been cut off.

The action of the milk-wagon drivers deserves special mention. They directed their efforts at first not to the rates of wages, but to the hours of work. Formerly, in the summer, they started out at 1 to 4 o'clock in the morning, made a delivery of milk in the forenoon and a second delivery in the afternoon, returned at 4 or 5 o'clock, spent one or two hours in balancing their books, and got away at 6 or 7 in the evening, making 12 to 18 hours a day. Then they worked 10 hours on Sunday, delivering milk and caring for their horses and wagons, altogether 100 hours a week for \$10 or \$12. In the winter they began at 6 A.M., making 80 hours a week.

Their first step after organizing in January, 1903, was to cut out the second delivery, to fix their hours in winter at 8 to 5, and to decide that in summer no delivery should be made in the afternoon, and "all wagons must be off the street by 1 P.M." This brought the hours to about 52 a week, including 4 hours on Sunday,—a reduction of nearly 50 hours in summer and 30 hours in winter. Within the past three years their wages have advanced to \$45 and \$60 a month, so that the rate of pay per hour has more than doubled. These are minimum rates. There are, also, "route men," whose commissions on sales bring their total earnings to \$70 or \$80 a month.

Public amazement and invective followed the "one-daily-delivery" system. The rule was adopted in January, and did not attract attention until warm weather.

Then the newspapers, with several columns daily, attacked the union. Early in June the Commissioner of Health stated in his weekly bulletin: "The 'one-daily-delivery' of milk has begun to reap its harvest. Even in well-to-do families this thirty-six to sixty hours' old milk cannot be kept from souring from one delivery to the next. Herod was more merciful in the method he used in his slaughter of the innocents."

Now that two summers have passed a somewhat cooler estimate can be made of the drivers' action.<sup>1</sup> In fact, the change to the one-daily-delivery of milk could have but little effect directly on the death-rate of children. The milk formerly delivered in the afternoon was from exactly the same milking as that delivered in the forenoon: the only difference was that the driver carried a part or all of it around in his wagon all day instead of leaving it at the house in the morning. The morning's deliveries are always, with the unimportant exception noted below, at least twenty-four and thirty-six hours old, having been drawn the morning of the day before and the evening of the second day before. Furthermore, in the poorer sections of the city, where home refrigerators are scarce, a large part of the milk has always been bought at groceries or depots conveniently located in nearly every block. In 1904 there were issued 2,424 milk licenses for such stores, against 2,516 for wagons. Both drivers and dealers state that almost their only afternoon customers were in the wealthier sections of the city, and the amount taken was small, being only such as the mistress

<sup>1</sup>At the close of the first season the Health Commissioner's statistics showed that the number of deaths of children under five years of age, during the three summer months (July, August, and September), was ten less than that of the preceding year, and at the close of the second season (1904) his figures for the same months showed a still further decrease of 388 deaths. The death-rate of children under five for the twelve months remained stationary the first year, and fell from 39.39 per 1,000 living to 32.64 the second year, and the number of deaths in the three summer months, which had been 30.4 per cent. of the year's total in 1902, fell to 26.6 per cent. of the smaller year's total in 1904.

wanted for an unexpected guest or an extra function. On the whole, it appears that the afternoon delivery was a needless waste, imposed by the thoughtlessness of housewives. The fifty hours saved each week to the drivers have not laid any hardship on the public.

While not directly affecting the death-rate, the revolt of the drivers indirectly reduced it by awakening public conscience and bringing about reforms in the municipal health department. The Children's Hospital Society at once created a Milk Commission, with physicians, bacteriologists and representatives of the Women's Club, established a laboratory, and by special arrangement sent out milk fourteen hours' old in bottles to sick children of the congested districts and the hospitals. The Civic Federation employed the biological department of the University of Chicago to test some three hundred samples of milk from various sources. Their report reflected unfavorably upon the inspection of the Municipal Department of Health, and finally led in 1904 to the appointment of an additional force of milk inspectors, including four country inspectors to visit farms; and all inspectors were instructed to pay special attention to the sanitary condition of dairies and utensils. In that year, for the first time, the department's bacteriologist made a systematic examination of the city's market milk. Considerable amounts of milk were condemned, nineteen milk pedlers' premises were abolished, several hundred dealers were notified to place and keep their depots in sanitary condition. An ordinance was adopted requiring metal seals to cans, by means of which responsibility can be fixed on the shipper, the railway employee, or the dealer, resulting in a decrease of milk watering by 50 per cent. The railroads were induced to furnish better facilities for handling.<sup>1</sup> Coupled with a cool summer

<sup>1</sup> Report of Bacteriologist and Director of the Municipal Laboratory, 1904 (MS.).

in 1904 and the completion of sewer systems and the drainage canal, the death-rate of all ages declined somewhat, and the death-rate of children declined still more, as stated above. On the whole, the stand taken by the milk-wagon drivers diverted attention from a false security on two deliveries of milk a day to the real source of danger,—an inadequate milk inspection.

### *Earnings.*

The wages formerly earned were as indefinite as the hours. While the books of the team-owners, if examined, would throw no light on the former rates of pay per hour, they would show the earnings by the week or month. In lieu of such an examination the testimony of employers and men has been found to agree remarkably in some lines and fairly well in others. Apparent disagreements are explained by the existence of exceptionally high or exceptionally low wages. The policy of the unions has been to establish a minimum rate of pay, and then to stipulate that no employee receiving more than the scale shall suffer a reduction. Consequently, exceptionally high men, especially in those lines where commissions are paid, have not gained an increase in weekly earnings, though the reduction in hours has increased their hourly rates; while the lowest paid positions have been substantially increased by the week and amazingly increased by the hour. Looking at the position of the average teamster without special abilities or disabilities, it may be said that for 70 to 100 hours' work his earnings before organization were \$8 to \$12 a week. Some grocery drivers, garbage collectors, beer wagon-helpers, and many boys got as little as \$4.50 and \$6, while men on commission got as much as \$25 or \$30; but the prevailing testimony sets the bulk of the earnings at \$9. Since organization

the minimum rates per week have been raised, so that they range from \$10 for retail grocery drivers to \$18 for a three-horse coal team-driver, the standard towards which all seem to be aiming being \$15 a week of six days, and the rate that the largest number have reached being somewhat less. The advances made for helpers are relatively greater than those for drivers, bringing the two closer together, both on a higher level.

While these increases are large, they nearly always exaggerate the increased labor cost to the employers. Often the highest paid men were not affected, and the better paid men were already close to the new minimum. In some lines, like department stores and railway express, only one company was paying the extremely low rates, and that usually to boys. In other lines this proportion was larger. The boys have been discharged, and men have taken their places; and their greater efficiency somewhat offsets the apparent increase in pay. Furthermore, from the teamster's standpoint the reduction in hours, which has so enormously increased his hourly rate, has often been in the hours uselessly spent in waiting or doing uneconomical work in order to be on hand when wanted. Such wasted hours the employer did not count, and their reduction does not increase proportionately his hourly cost, because now he keeps the teamster busy every minute while on duty. Consequently, the team-owner's increased labor cost is not to be measured by the teamster's extraordinary gain by the hour, as would naturally be supposed, but rather by his more moderate gain by the week.

### *Commissions.*

In several lines the teamster is more than a driver: he is a solicitor or order clerk; and he can build up or break down his employer's business. In some cases the com-



panies have regular solicitors, who are not drivers; but even then the driver must be relied upon to "hold his trade." This takes an extreme form in the laundry business, where in a union of 700 members there are 200 drivers, known as "commission men," who own each a horse and wagon and "control their trade." Some of these men have agencies at hotels, news-stands, and so on, where orders may be left. They can transfer their business from one laundry to another, and their commission is 40 per cent. At such rates the most successful driver makes as much as \$100 a week. Naturally, the laundrymen objected to this power of transferring business, and they began to require contracts preventing a man on leaving their employment from going into the laundry business for two years thereafter. The courts refused to sustain such contracts, but afterwards, when they were modified so as to limit their operation to a designated territory, they were sustained. The union met the policy of the laundrymen by a clause in their agreements stipulating that drivers owning their own wagon, and known as "commission men," should receive not less than 40 per cent. of the gross amount of work, and that "no driver shall be requested to sign any contract conflicting with this agreement." Evidently, a union of solicitors owning their places of business, protecting their commissions, and maintaining their power to throw business from one employer to another, partakes more of the nature of a merchants' guild than a labor union. In the case of laundry drivers not owning their wagons the union agreement provides a minimum salary of \$15 a week, which is an advance of something like 50 per cent. on their former wages. In addition, many of them get a commission on business beyond a certain amount. The rule of a minimum salary holds for drivers in all other lines where commissions are paid, the laundrymen owning their

wagons being the only class paid solely by commissions without a minimum guaranty.

In the case of the bakery drivers the guaranty is \$14 a week, which would be useful only in the out-districts where business is light, but where the union does not yet control. The valuable advances are in the rates of commission, and these apply to the large bakeries supplying the down-town district. Here the minimum of \$14 is significant, not as a true minimum, but as a basis on which to compute the commissions. For example, the best paying company in the city, which formerly paid \$14 a week and 6 per cent. on sales above \$250, now pays \$14 a week and  $1\frac{1}{2}$  per cent. on business up to \$150, 3 per cent. on the excess to \$250, and 7 per cent. on the excess above \$250. Consequently, a driver, who formerly received \$17, on a week's business of \$300 now gets \$22.75. The larger his business, the larger has been the rate of increase in his earnings, a few getting as much as \$40 a week, and none less than \$16.

The commission scheme of the beer-drivers is suggestive. The bottle-beer driver, more than the keg-beer driver, is expected to "hold his trade." In both cases the commission is paid, not on the sales, but on the "empties" returned; and in both cases the commission has always been looked upon as spending-money. The bottle-beer driver joins many lodges to which bar-tenders belong. He seldom sees the saloon proprietor, for his visits are made early in the morning. His persuasiveness is exerted on the bar-tender. To prevent him from transferring his trade from one brewery to another, the brewers have a strong association and an agreement not to take another brewer's driver. The agreement is enforced by a clearing-house, organized as follows. The driver does not get all of the "empties." Many of them are thrown in the alleys and back yards, and come into the hands of

junk-dealers. These sell them to the clearing-house of the brewers' association. The brewer who does not abide by the rules of the association cannot get back his junk bottles through the clearing-house until his fine is paid. This is one of the means that hold the brewers together in fixing prices and resisting organized labor. Lacking such a clearing-house, the laundrymen have not been able as effectively to resist the "commission men."

The keg-beer driver gets his salary of \$80 a month and 4 cents additional on empty kegs returned. Before organization his salary was \$60 to \$80, and his commission was 8 cents, but out of this he paid his helper \$20 to \$35 a month. Now the helper gets \$55 a month paid by the brewer, and the driver tries to keep his commission through a clause in the agreement providing that "pedlers, helpers, and extra drivers shall not be required to spend any money with customers on their routes, and their not spending any money shall not be cause for any complaint or discharge." Under this arrangement the majority "take home" more than their salary, and the best men with the best routes are said to earn, net, as much as \$30 or \$35 a week.

The milk-wagon driver's commission is computed on the basis of "1 cent to the point," a point being the unit of each article sold, as a quart of milk, a half-pint of cream, or a pound of butter. This figures out about 14 per cent. on sales; but he is usually paid a minimum of \$60 a month, if his sales do not yield so much, and one-half cent a point on sales above the amount necessary to compute the minimum at 1 cent. The best man earns \$100, and the majority in the service of the "big firms" earn \$65. The commission is optional, and very few of the small dealers pay it. The union demands for 1905 would make it compulsory, would raise it to  $1\frac{1}{2}$  cent, and would for the first time establish a minimum wage

of \$17.50 per week instead of the fluctuating minima, ranging from \$45 paid by the small dealer to \$60 paid by the large dealer.

The commission system fades into the graded salary system in the case of the yeast-wagon drivers (belonging to the bakery drivers' local). The union has changed the grading and promotions from the basis of individual bargaining to the basis of seniority, the driver beginning at \$15 and advancing \$1 at the end of the first year, and then \$1 at two-year intervals, until at the end of the seventh year he reaches \$19. Since the starting-point was formerly \$12, and seniority was counted back for those in the service at the time when the change was made, some of the best men received no advance, while others long in the service, but not hitherto preferred by employers, were advanced at once from \$12 a week to \$18 and \$19.

In the case of the grocery and market drivers the range of wages was formerly extreme, since experienced men were rare and unsuitable men abundant. The best commanded \$25 or \$30 a week, and the poorest \$5 a week. The union did not attempt to grade all the men according to seniority, but contented itself with grading the order clerks, or "those controlling their own trade," in three classes of \$12, \$13, and \$14 for the first three six-month periods, and leaving further promotions to the employer. For other classes of drivers they simply raised the minimum from, say, \$11 a week in the wholesale trade to \$15, and from \$5 a week for retail drivers to \$10.

The same distinction appears among the railway express drivers. The union grades the "conductor" on a double wagon, who is a solicitor as well as the responsible man under bonds, at \$62.50 the first three months, \$67.50 after three months, and \$70 after six months, but fixes a flat rate for the driver. Apart from these three grades, promotions to higher pay are at the discretion of

the six companies, among whom competition is keen and the best solicitors eagerly sought.

In these cases we can see the transition to the ordinary teamster, who does not "control his trade." This is the situation with the great bulk of teaming, such as that of the truck driver, coal teamster, building-material driver, and so on. In general, wherever the commission or premium system on sales is possible, the union prefers it, and even requires it; but, where the commission cannot be definitely measured because the traffic is miscellaneous, the union tries to substitute grading according to seniority. And, finally, where the teamster is only a driver, and not a solicitor, the union establishes simply a flat minimum. There is one exception to the last statement. This is loading, unloading, and hauling common brick from the cars to the building, employing about 200 men in a union of 700. The price formerly was 36 cents per 1,000, raised by agreement with the union to 40 cents, at which the driver earns \$3 to \$4 a day, compared with a day rate of \$2.25 in the same local union. With this exception the ordinary driver in the different locals is paid by the week or month.

Besides wages and hours the unions have secured relief from exactions which the members consider important. The department store drivers and the livery drivers no longer purchase their uniforms at company prices. The expense of securing bonds required of many classes of teamsters, amounting to \$5 a year, is now borne by the employer. The grocery and market wagon drivers are no longer responsible for goods stolen off their wagons or goods spoiled by kerosene; and they, as well as the department store and other classes of retail delivery drivers, are protected against losses for which they are not responsible on C. O. D. packages and on goods returned. The agreements in all cases contain an arbitration clause

whereby an umpire decides if employer and employee cannot agree.

### *Strikes.*

The experience of the unions has led to a decided change in the matter of strikes. Sympathetic strikes seem to have been eliminated during the past two years, except where a sister local of teamsters was involved. As far as other industries are concerned, the teamsters have endeavored to adopt the let-alone policy of the railway brotherhoods; although, within the past few weeks, they have listened to the appeals of the garment workers and violated this policy as well as their agreements. All of their agreements require work to be continued pending arbitration.<sup>1</sup> A vote to strike must be taken on paper ballots, and must have a two-thirds' majority of the local. It must then go to the Joint Executive Council. If approved, it is referred to the General Executive Board of the international organization. That body is prohibited from approving "unless there is sufficient funds on hand in the International Union to pay strike benefits" of \$5 a week.

<sup>1</sup>The truck-drivers, like others, issue a card to their stewards, as follows:—

#### "ADVICE TO STEWARDS.

"1. Become acquainted with the laws of the I. B. of T. and of your Local Union.

"2. Become acquainted with the agreement of your Local and the Employers'.

"3. Examine the Due Books of every member working in the barn in which you are Steward no later than the 10th of each month.

"4. When a new man is employed, ask him for his Due Book. If he is not a member of Local 705, or he is three months in arrears (and a member of Local 705 in good standing can be had), object to him going to work.

"5. When a member has a complaint, he must report it to the Steward, whose duty it is to take the member to the employer, hear both sides of the case, and, if the employer is right, tell the member so. If he is not satisfied, send him to the officials of the Local. If the employer refuses to comply with the Steward's decision, notify the officials at once.

"6. Stewards must not call a strike unless authorized by the Local through its officers.

"7. Stewards should use their influence to prevent a strike until the officers have had a chance to adjust the difference.

"8. Stewards should attend as many meetings as they possibly can."

If it decides to sustain the local, it sends a representative to take charge of the negotiations, and to order a strike, if he deems it advisable. A local striking without such approval receives no support.

The controlling influence of the International is strengthened by the system of finance. Out of the local dues of 50 cents a month, 15 cents are paid to the International treasury, whose funds are said to be large (no figures are published). The locals have moderate treasuries, mainly for insurance benefits, and the International is expected, after the first week, to support the strikes it approves. Nearly all of the locals pay death benefits of \$100, adding \$10 for flowers. The coal teamsters tried sick benefits for a while, but stopped the experiment because "too many got sick."

The initiation fees of several locals are \$5.25; but the coal, truck, ice, van, railway express and a few other locals have advanced the fee to \$15. For a time the Truck Drivers placed theirs at \$25, but afterwards reduced it to \$15, which seems to be the figure towards which all are tending. Usually, the fee is paid in instalments over five or six weeks after the novitiate has gone to work. Certain ice companies "check off" the fee from wages, and pay it over to the union treasury; but this practice is an exception.

### *The "Closed and Open Stable."*

There is a wide diversity among the agreements respecting the employment of union members. Some of them, like those of the railway express drivers and department store drivers, simply say, "There shall be no discrimination against union drivers." The majority are similar to the Truck Drivers' agreement, which reads, "Party of the first part agrees to employ members of the Truck

Drivers' Union, Local 705, when in their power to do so." The Furniture Drivers' agreement formerly read as follows: "Party of the first part agrees to employ members of the Furniture Drivers' and Helpers' Local No. 722, or those who will make application within twelve hours after receiving employment and become a member at the next regular meeting of the organization. In hiring men, the union men to have the preference." This is also the form of several other agreements, such as that of the Grocery and Market Wagon Drivers. It amounted to an open-shop agreement, and, because advantage had been taken of it to weaken the union, the Furniture Drivers' Local went on strike at its termination in October, 1904, to secure a closed-shop agreement. A compromise was finally made, and this clause was changed to read: "There shall be no discrimination against union drivers or helpers. In hiring men, party of the first part agrees to give preference to members of Local 722." In practice this new agreement makes the union headquarters the employment office of the Wholesale Furniture Dealers.

The Commission Team Owners agree likewise "to employ none but members of Commission Drivers' Union, Local No. 3, in good standing and carrying the regular working card of the organization, if such drivers can be supplied by the business agent of Local No. 3, or competent men who are willing to become members of said Local No. 3." Besides that of the coal teamsters, already cited, the Van Teamsters' agreement is strictly closed shop, as follows: "Party of the first part agrees to employ none but members of the Van Teamsters and Helpers Union, Local 711, I. B. of T., in good standing and carrying the regular working card of the organization."

Whatever the form of these agreements, they operate to give members of the unions steady employment as



against the introduction of outsiders. Yet, except in the two or three strictly closed-shop agreements, the team-owners say that they can employ any man they see fit, whether union member or not, provided they pay the scale and he joins the union. They discharge him, however, if the union brings charges against him and does not admit him. The high scale of wages makes it to their interest to employ experienced men, who know the depots and routes. Hence, in the case of the team-owners' associations, the open-shop question has never come up. In others it causes friction and sometimes strikes. This is especially true of the laundry business, where the only prolonged strike, which now has lasted since June, 1904, turns on the clause of the former agreement, conceding to the laundrymen the right to hire non-members. In some cases the union cannot furnish members when called upon, notably the Ice Wagon Drivers and Helpers, more than one-half of whose members leave the city during the winter. On this account they take in some 300 new members each season in a total membership of 1,800. Their agreement reads: "We concede the employer the right to hire all Ice Wagon Drivers and Helpers, providing he notifies the officials of the Ice Wagon Drivers' and Helpers' Local Union No. 2 within twelve hours after employing said Drivers and Helpers; and, if there are any charges against said Driver and Helper, the employer on his part agrees to discharge said driver or helper within twelve hours after receiving notice from the officials of the Ice Wagon Drivers' and Helpers' Local Union No. 2. In hiring men, the union men to have preference." The above twelve-hour clause is found in most of the open-shop agreements.

In these and all other cases more reliance is placed on the daily attitude of the employers and their representatives than on the wording of the agreements. The unions

stand ready to strike on evidence of persistent discrimination, by which is sometimes meant the employment of non-members when members are unemployed. The employers on their side, with the exceptions mentioned, practise conciliation, and realize that, if they kept non-union men in their employment, they could destroy the unions. Furthermore, the teamster's occupation is more exposed than that of any other craftsman. Each driver is an establishment of himself. In the crowded streets, with 30,000 teamsters organized, there is not much room for the unorganized. Actual or expected violence is looked upon by employers and teamsters as a matter of course. Blockades and obstruction, more than violence, are effective, and all union drivers are expected to do what the truck-drivers explicitly command in their by-laws: "All members of this local shall at all times while on duty wear his union button in plain sight, so it can be seen by any one. Any member failing to do so shall be subject to a fine of not less than \$1 for each offence."

It will thus be seen that the agreements, whether "closed shop" or "open shop" in form, are "union shop" in practice. On the other hand, the reciprocal feature of the coal teamsters' provisional agreement, which forbade union drivers to work for employers not members of the team owners' association, has been eliminated. In its place the following was substituted: "The organization agrees on its part to do all in its power to further the interests of said Association." The Commission Drivers made the same agreement with the Commission Team Owners' Association. The Van Teamsters and Truck Drivers agree, not to further the interests of the associations of team-owners, but simply to "further the interests of their employer." These peculiar clauses do not mean that the drivers will work only for members of those associations, since there are drivers working for non-

members. They simply mean that the drivers will not work for non-members on terms more favorable than those granted to members. The object is not that of an exclusive agreement, but that of equalizing competitive conditions. One result undoubtedly is to strengthen the team-owners' associations, and to enable them better to maintain their official scales of cartage. Prior to the organization of the unions, the owners' associations were weak and ineffective. Their official scales were cut by destructive competition. Now they include nearly all the team-owners, who seek the cover of the association for protection against the union. The prices for cartage have in most cases been raised, but it is impossible to know how much. The official cartage scales have been advanced 20 to 40 per cent., but this is not decisive; for they were not enforced, whereas the present scales are fairly well enforced. The double wagon, which the truck-owners' scale formerly set at \$24 a week with driver, and which was actually hired by the merchant at \$22 to \$26, is now hired at a minimum of \$31. The single wagon has advanced from a nominal rate of \$18 and an actual one of \$15 or \$20 to an official \$22 a week. The carriage to a cemetery, for which \$5 was formerly charged, now costs \$7. The official scale of the Commission Team Owners was always charged like a uniform freight rate by the commission dealer to the shipper, even when less than that scale was paid by the dealer to the team-owner. In this case the new scale was made by agreement between the team-owners and the dealers, and raised the cartage charges 10 to 100 per cent., the average on the bulk of the business being about 30 per cent.

This scale and all others are placed at such figures that the team-owner, whether member or non-member, who pays the union scale of wages, cannot make a profit if he cuts the scale of cartage. The scale cannot be exorbitant

compared with the wages, since merchants and manufacturers have the option of hiring their teamsters directly for the same wages and hours and running their own stables; and many of them do so, while others prefer to sell their horses and wagons, and let out their teaming to contractors at the official scale. It must be remembered that a teaming contractor assumes the liabilities of a common carrier, and a single accident to his cargo or a pedestrian may wipe off the profits of a year or even his entire capital. In the former period of reckless competition no margin was allowed for insurance against such catastrophes, and the wholesale merchant, who now pays the increased cartage to a teaming contractor, pays for the assumption of a risk that formerly cost him nothing, and is usually overlooked when he does his own trucking until the accident occurs.

In the case of fares and charges where the general public is concerned, such as those for cabs, express, and furniture moving, the maximum scale is usually fixed by municipal ordinance; and the changed conditions simply mean that the legal prices are charged, whereas formerly they were undercut. In the case of the charge of Parmelee (the railway baggage express) of 50 cents on trunks from stations, there has been no increase, since that was fixed by agreement with the railway companies. Other expressmen have advanced their 25-cent charges to 35 cents, and their 35-cent charges to 50 cents. The municipal ordinance which formerly fixed the hire of cabs at 25 cents per passenger per mile now fixes it at 50 cents per trip per mile, whether one passenger or two.

The economic basis which supports these official scales of cartage in competitive lines may be illustrated by the case of the furniture movers. The van teamsters reported at the barn not later than 4.30 A.M., and went home at night when their work was finished. The em-

ployer, not paying them for overtime, and being at liberty to keep them as late at night as he pleased without extra cost, often figured on doing a cheap job if the customer would delay the beginning until late in the afternoon and finishing late at night. His labor cost for such a job was practically nothing, and hence there was no bottom to prices. One team-owner could not tell how low his competitors would be willing to go, neither could he tell how low he himself could afford to go. Even his horses, skeletonized by overtime, did not set a certain minimum. On two or three occasions the owners had attempted to form an association and to agree on a minimum scale of charges; but their agreements were always broken by the temptation so easily offered to get the teamster's work for nothing, and to give the customer the benefit of the exploitation. When the teamsters organized and reduced their indefinite hours of 90 or more to a definite 60 a week, with 25 cents an hour for overtime, then the employer could see a solid foundation on which to maintain the prices agreed upon. The result has been that the unscrupulous team-owner, who beat his competitors by cheating and overworking his teamsters, has not been able to continue in business as such; and the other class of owners, who regretted, but could not remedy what some of them now describe as the "actual slavery" of the teamster, are more prosperous than ever before. Their horses and equipment are better cared for and their services to the public better performed. True, also, the "public" pays higher charges for cartage than before, but the complaint from that source has partly subsided. In view of the facts, their grievance is like that of the Roman populace when the gladiatorial combats were stopped.

The one-team owner who drives his wagon has a peculiar and dubious place in this business. He is the connecting

link, as it were, between the ancient guild and the modern organizations of employers and workmen on class lines. He is eligible either to the teamsters' union or the team-owners' association. As a member of the owners' association, he is expected to observe the scale of cartage, and, as a member of the union, the owners ask that he be made to observe that scale. The policy of the unions on this point is to have less and less to do with regulating prices, and therefore to leave the one-team owner free to do as he pleases, unless he employs a helper. Of course, he needs a button or a card in order to travel uninterrupted, and this induces him to join one of the associations. If he joins the truck-owners, he gets an association button which the teamsters recognize. If he is an ice wagon-driver, he requires a helper, and so is not eligible to the union; but he is given a card certifying that he employs a union helper, and is "entitled to all courtesies and respect of members of the I. B. of T." One of the locals, the Express Drivers, is composed solely of these one-team owners. Their charges are regulated by municipal ordinance on work done by the trip. A wagon and driver are hired by the week at \$24. They can work as many hours a day as they please, since each is his own "employer."

The interests of these small proprietors lead them into a field foreign to that of the ordinary labor union, as may be seen in the legal activities of the Hack, Coupé, and Cab Drivers. Since 1896 this local has expended \$7,000 in securing certain rights of common carriers. Formerly abutting property-owners, including the railway companies, leased the right to stand on the street in front of their property; and the revenues of hotels from this seizure of the public highway amounted to \$50 or \$60, and in one case \$200, a month. The cab-drivers won a suit in the criminal court,<sup>1</sup> and another in the Supreme Court of

<sup>1</sup>*City of Chicago v. Wilson, Chicago Legal News, August 16, 1902.*

Illinois;<sup>1</sup> and now any driver can stand at any place on the streets designated by police authorities. Next they contested the right to solicit passengers inside the depots and to stand on the line designated by the railroad authorities for Parmelee's drivers. A railroad company secured an injunction in the United States Circuit Court, and the union carried it to the Circuit Court of Appeals,<sup>2</sup> and then to the United States Supreme Court, whence a decision is now awaited.

An interesting outcome of the change from indefinite to definite hours and wages, as well as the separation of classes, has been the breakdown of the "fatherly feeling" which some of the team-owners say they formerly had for some of their teamsters. They learned to feel an interest in the men who had been in their service for many years, and to share their sorrows and joys. Though such a man was unfitted for other branches of work, he was satisfactory in his old position, if he would accept a lower rate of pay, and make himself generally useful. Or the owner employed a boy at \$1 a day out of regard for his widowed mother. Now the union comes between the owner and his teamster. It compels the owner to advance his pay by \$3 or \$6 a week to a minimum rate. It requires a higher rate for that overtime in which the teamster had shown his general usefulness. The teamster takes his orders from the union, and becomes a party to the coercion. Estrangement follows. The owner cannot afford to keep the man or boy at the higher rates of pay. He must have vigorous young men. He has discharged the boys. A large manufacturer has cut off the two weeks' vacation on full pay which he formerly gave to his teamsters. The bargain has lost its indefinite, easy, fatherly relation of "give-and-take," and has become a close calculation.

<sup>1</sup> *Pennsylvania R.R. v. City of Chicago*, 181 Ill. 289.

<sup>2</sup> *Donovan et al. v. The Pennsylvania Co.*, 116 Fed. 907, 120 Fed. 215 (1903).

A similar estrangement occurs between the team-owner and his customers, "the public." The merchant or manufacturer formerly was willing to let the truck-owner send an old man or a boy with the team, which he got for a dollar or two less by the week on that account. The small team-owner, with inferior equipment, formerly secured trade by making concessions in price. Now he must have just as good a team, just as large a wagon, or just as attractive a van, as his wealthy competitor in order to get the trade. The public has lost its desire to help out the poor team-owner. Its friendly feeling, like the fatherly feeling of the team-owner, disappears when no longer paid for. Thus has the cash nexus of unionism uncovered and dislodged a certain amount of unconscious hypocrisy.

Naturally, at first, the team-owners were at sea in dealing with the new situation. Having lost the personal control of their teamsters, it seemed to them that they must control the organization that had come between them. But these organizations in turn seemed to be simply the union leaders and officers. Consequently, an era of corruption was ushered in; and the employers turned over their funds to Driscoll, a "labor expert," but not a team-owner, who knew how to handle the leaders. This continued, as described above, until the unions had time to learn self-government and depose the leaders who assumed to sell and deliver them. They also took from the business agents their vote, though not their seat, in the joint teamsters' council. The team-owners then perforce changed their policy. They deposed Driscoll, and elected plain business men, team-owners like themselves. The policy of these men is what they describe as "fair dealing." They try to remedy every grievance, open and aboveboard, on its merits. They realize that the team-owner who, by a corrupt bargain with the union agent, is not compelled to remedy the grievance of his



teamster, thereby has an advantage over his competitors. Equal treatment is as necessary to preserve the team-owners' association as it is to preserve the teamsters' union. In this way they cultivate what they call a "friendly feeling" with the teamsters in place of the former paternal feeling.

This new kind of friendly feeling, while severe on individuals here and there, accords with the teamster's view of himself. From what has already been said of his work and wages, it follows that he is more than the mere unskilled laborer, so generally assumed. He is sometimes a travelling salesman and at least a travelling representative. Even the ordinary teamster looks upon his occupation as a craft, and the object of his union is to have it recognized as such. He, like the salesman, is really a man of the world,—comes in contact with many classes of people and learns to deal with men as well as handle material. His work is a constant adaptation of means to ends in a struggle for business, without the aid of a foreman to do his thinking. He must know the depots, the streets, and the best routes. He is intrusted with his employer's property and his employer's obligations as a common carrier, both for goods hauled and pedestrians injured. He often requires special attributes of carefulness and promptness. The van teamster cites with professional pride the expensive furniture moved from a fashionable dwelling without a scratch. The commission team-driver feels his responsibility for perishable goods and for prompt and careful handling. The garbage collector calls himself the sanitary teamster. The helpers of the machinery and safe-moving teamsters are millwrights.

Now the efforts of the teamsters to have these qualities recognized as distinguishing a craft, and not common to the mere laborer, are seen in some of their policies. First is the enforcement, as far as possible, of weekly

salaries instead of payment by the load or laying a man off when work is interrupted. This policy leads the employer to "bunch" his work better, and to keep a man steadily employed in place of letting him "hang around," waiting for work. Of course, trade in some lines is seasonal; and allowance for this is made by classifying employees as "steady men" and "extra drivers and helpers." The latter in some cases are paid by the hour; the livery "tripper," by 25 per cent. of the liveryman's charge. They are considered as serving a kind of apprenticeship, while for the "steady men" in slack times the old employee is to have the preference, being the last laid off and the first taken on. The closed-shop policy, also, is justified as the protection of their craft against the "farmer" or the "hobo," who can drive a wagon, but is not a teamster. As long, too, as the minimum wage can be maintained, the team-owner is not inclined to employ these inexperienced and less reliable drivers. That the hope of the teamster to make his calling a craft is being realized is borne out by the witness of team-owners, who speak sometimes with enthusiasm of the superior character of the men who have come to the front. The "bums" are gradually weeded out by the employers themselves. Men of integrity and self-respect secure the offices, and the worldly wisdom of the teamster makes him amenable to reason and fair dealing. He harbors no resentment on account of his former treatment, for he acknowledges that the team-owners were themselves victims of destructive competition.

Yet the employers do not feel that their sailing is smooth or the future certain. The former defeated corruptionist and a few adroit employers, still seeking to "tie up" a competitor in business, are able to foment occasional petty strikes and violations of agreements. Equally serious are the enormous advances in wages and the self-confident demands of the unions for more and still more, and most

serious of all is the prospect of sympathetic strikes on behalf of other unions unable to win on their own account. It is evident that employers are understanding each other better, and are preparing for united action. Many of them consider the teamster as the keystone of Chicago unionism. The freight tunnel, now completed under all the down-town streets, is expected to free them from an event like the freight-handlers' strike. But prediction would be vain.

J. R. COMMONS.

UNIVERSITY OF WISCONSIN.